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November 2, 1999

BY HAND

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

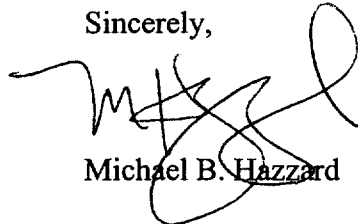
RECEIVED
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EX PARTE ORAL EX PARTE FILED
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Oral Ex Parte
In the Matter of Application of Bell Atlantic Pursuant
to Section 271 of the Telecommunications Act of 1996
to Provide In-Region InterLATA Services in New York
CC Docket No. 99-295

Dear Ms. Salas:

On November 2, 1999, Robert Curtis, Senior Vice President Strategic Planning, Z-Tel Communications, Inc., and Ruth Milkman and Michael Hazzard, Lawler, Metzger & Milkman, counsel to Z-Tel, met with Deborah Ramirez, Sanford Williams, Claudia Pabo, Johanna Mikes and Julie Patterson to discuss Bell Atlantic's New York 271 Application. As part of the presentation, Z-Tel discussed Bell Atlantic's recent decision to stop pre-programming speed dialing capability as part of the unbundled switching networking element. Z-Tel did not address this issue in its comments in the proceeding because, as of the comment filing date, Bell Atlantic had not made its position on pre-programming speed dial known to Z-Tel. The handout used in this presentation is enclosed. Pursuant to section 1.1206(b)(1) of the Commission's rules, 47 C.F.R. §1.1206(b)(1), an original and one copy of this letter and enclosure are being provided to you for inclusion in the public record of the above-referenced proceeding.

Sincerely,



Michael B. Hazzard

Enclosure

cc: Deborah Ramirez
Sanford Williams
Claudia Pabo
Johanna Mikes
Julie Patterson
Dee May, Bell Atlantic (By Fax)



Z-Tel Communications

FCC Ex Parte

November 2, 1999

Docket 99-295



Overview

- Generally Satisfied with New York PSCs Framework
- Specific Facets of Bell Atlantic's Implementation Continue to Operate as an Impermissible Barrier to Entry
- Bell Atlantic's 271 Application Should be Denied Until these Deficiencies are Resolved



Z-Tel Primer

- Z-Tel is an Integrated Communications Provider Focused on the Residential Mass Market
- Z-Tel has Invested over \$30 Million in 18 Months in Software Development Adding Value to End Users
- Z-Tel Delivers Value to End Users through Innovative Manipulation of the Local and Long Distance Networks
- Z-Tel uses UNEP as an Entrance Strategy to Achieve Economies of Scale in the Residential Market
- Our Operations are Currently Focused in New York City
- Between June, 1999 and October 13, 1999, Z-Tel Provisioned Approximately 11,000 Residential Lines in LATA 132
- On October 13, 1999, Z-Tel Filed our S-1 with the SEC



Z-Tel's Residential Service Offering In New York

Compare

- Complete Home Phone Service
- Flat-Rate Local Phone Service
- Long Distance Calling
- Caller ID, Call Forwarding, Call Waiting, Speed Calling, 3-Way Calling
- Voice Mail (Web or Phone)
- "Follow Me" Service
- Web Command & Control Center
- Group Messaging

Total Cost

Z-Tel

Included

Included

200 Mins. Incl.

All Included

Included

Included

Included

Included

\$49.99

Bell Atlantic

N/A

\$20.16

\$26.00*

\$21.26

N/A

N/A

N/A

N/A

\$80.41

*Bell Atlantic presently does not provide long distance service in New York. This cost estimate is based on national long distance carrier products. Individual customer bills may vary depending on calling patterns.



The PSC Framework is Designed to Foster Residential Competition

- UNEs and Interconnection Available through Tariff
 - UNEP Enables Mass Market Entry
 - Customization of Line Class Codes Ensures Vibrant Local Switching UNE
 - Ensures Variety of Local Products/Services via Customization
 - Incentivizes Variety by Incorporating Customization into Local Switching Rate
 - Meets Requirements for Competitive OS/DA
 - Robust AIN Offering Essential to Innovative Competition



Bell Atlantic Falls Short of the Ideals of the PSC Framework

- Incomplete Commitment to Unbundled Local Switching
- Deficient OSS



Incomplete Commitment to ULS

- NDR Process Acts as a General Barrier to Competitive Entry
 - Custom (“Option A”) Line Class Code Implementation Stifles Competition
 - Custom LCC Critical Element of Z-Tel Business Plan
 - Enhanced Services
 - OS/DA
 - Current Interval from Request to Competition is 6 Months
 - Bell Atlantic Lacks a Procedure to Seamlessly Migrate Standard (“Option B”) LCCs to Custom LCCs
 - Status Quo is Unacceptable - Risk to Z-Tel Customs: Possible Incremental Charges: Possible Huge Labor Requirement
 - Implementation Interval and Lack of Mitigation Procedure Impairs Z-Tel Business Plan



Incomplete Commitment to ULS

- Failure to Provide All Features and Functions of Local Switch
 - E.g., Speed Dial 9 - (Vertical Feature of Switch)
 - Bell Atlantic Previously Provisioned Preprogramming of Speed Dial
 - Arbitrarily Notified Z-Tel that Programming Speed Dial 9 Was Not a Feature of the Local Switch Available to Z-Tel



OSS Performance Impairs Competition

- WEB GUI Availability
 - Frequently Unavailable
 - When Available, Often Prohibitively Slow
 - (November 1, 1999 Was Down from 5:00pm to 12:00am)
- WEB GUI Limitations
 - No Supervisory Capability
 - Must Pull FOC and Completion Notice
- Ongoing Provisioning Errors
- Continuing Problems with Order Rejection



Requested Action

- Establish New York Procedures as National Roadmap
- Require Bell Atlantic to Remedy Deficiencies
 - Establish 60 Day Interval for Completion of “Option A” NDR/Custom Line Class Codes
 - Require Development of a “No Impact” Procedure for Migrating Subscribers from “Option B” to “Option A” Line Class Codes
 - Require Factual Evidence Demonstrating OSS Compliance
- Do Not Pre-Approve AIN Offering